
By: ~~Delegate Rosenberg~~ Delegates Rosenberg, Costa, Boutin, Goldwater,
Mandel, Smigiel, Donoghue, Hubbard, and V. Turner

Introduced and read first time: February 3, 2003
Assigned to: Health and Government Operations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 21, 2003

CHAPTER _____

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Maryland Pharmacy Access Hotline**
3 **~~Prior Authorization - Mental Health Drugs~~**

4 FOR the purpose of ~~prohibiting the Department of Health and Mental Hygiene from~~
5 ~~establishing, within certain pharmacy assistance programs in the Maryland~~
6 ~~Medical Assistance Program, prior authorization requirements or restrictions on~~
7 ~~coverage for certain drugs used to treat mental illness and brain disorders;~~
8 ~~providing for the application of this Act; requiring the Department to consider~~
9 ~~the implementation of certain programs on psychiatric drug costs; making~~
10 ~~certain stylistic changes; and generally relating to the Maryland Medical~~
11 ~~Assistance Program and drugs for mental illness and brain disorders. requiring~~
12 ~~the Department of Health and Mental Hygiene to establish a certain hotline;~~
13 ~~requiring the Department to distribute to Program recipients certain~~
14 ~~information about the hotline; requiring the Department to notify certain health~~
15 ~~care providers about the hotline; and generally relating to the Maryland Medical~~
16 ~~Assistance Program and the Maryland Pharmacy Access Hotline.~~

17 BY adding to
18 Article - Health - General
19 Section 15-136
20 Annotated Code of Maryland
21 (2000 Replacement Volume and 2002 Supplement)

22 ~~BY repealing and reenacting, without amendments,~~
23 ~~Article Health General~~
24 ~~Section 15-101(a) and (i)~~

1 Annotated Code of Maryland
2 (~~2000 Replacement Volume and 2002 Supplement~~)

3 ~~BY adding to~~
4 ~~Article Health General~~
5 ~~Section 15-118.1~~
6 ~~Annotated Code of Maryland~~
7 ~~(2000 Replacement Volume and 2002 Supplement)~~

8 ~~BY repealing and reenacting, with amendments,~~
9 ~~Article Health General~~
10 ~~Section 15-124 and 15-124.1~~
11 ~~Annotated Code of Maryland~~
12 ~~(2000 Replacement Volume and 2002 Supplement)~~

13 **Preamble**

14 ~~WHEREAS, Unrestricted access to psychiatric medications is critical to the~~
15 ~~successful treatment of mental illnesses and brain disorders; and~~

16 ~~WHEREAS, The implementation of preferred drug lists, formularies, and prior~~
17 ~~authorization programs in other states has been documented to result in a~~
18 ~~deterioration of patient care and increased psychiatric hospitalization; and~~

19 ~~WHEREAS, A cost containment program that results in increased~~
20 ~~hospitalization will not save money for the State of Maryland but simply transfer~~
21 ~~costs to other areas of the State budget; and~~

22 ~~WHEREAS, The human costs of restricting access to psychiatric medications~~
23 ~~far exceed the potential financial savings to the State of Maryland; and~~

24 ~~WHEREAS, Legislation introduced during the 2002 Session of the Maryland~~
25 ~~General Assembly prohibiting the Department of Health and Mental Hygiene from~~
26 ~~establishing prior authorization requirements or restricting coverage for medications~~
27 ~~used to treat mental illnesses and brain disorders in the Maryland Medical Assistance~~
28 ~~Program passed the Maryland House of Delegates and the Senate of Maryland; now,~~
29 ~~therefore,~~

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
31 MARYLAND, That the Laws of Maryland read as follows:

32 **Article - Health - General**

33 ~~15-101.~~

34 (a) ~~In this title the following words have the meanings indicated.~~

35 (i) ~~"Program" means the Maryland Medical Assistance Program.~~

1 ~~15-118.1.~~

2 (A) (1) ~~THIS SECTION DOES NOT APPLY TO DRUGS COVERED BY MANAGED~~
3 ~~CARE ORGANIZATIONS UNDER § 15-103 OF THIS SUBTITLE.~~

4 (2) ~~THIS SECTION APPLIES TO THE MARYLAND PHARMACY ASSISTANCE~~
5 ~~PROGRAM DEVELOPED UNDER § 15-124 OF THIS SUBTITLE, THE MARYLAND~~
6 ~~PHARMACY DISCOUNT PROGRAM DEVELOPED UNDER § 15-124.1 OF THIS SUBTITLE,~~
7 ~~AND ANY OTHER PHARMACY ASSISTANCE PROGRAM DEVELOPED BY THE~~
8 ~~DEPARTMENT.~~

9 (B) ~~THE DEPARTMENT MAY NOT ESTABLISH PRIOR AUTHORIZATION~~
10 ~~REQUIREMENTS OR RESTRICT COVERAGE FOR DRUGS USED TO TREAT MENTAL~~
11 ~~ILLNESS AND BRAIN DISORDERS, INCLUDING:~~

12 (1) ~~ATYPICAL ANTIPSYCHOTIC MEDICATIONS;~~

13 (2) ~~CONVENTIONAL ANTIPSYCHOTIC MEDICATIONS;~~

14 (3) ~~ACTIVE SEROTONIN RE-UPTAKE INHIBITORS;~~

15 (4) ~~ATYPICAL ANTIDEPRESSANTS; AND~~

16 (5) ~~DRUGS TO TREAT EPILEPSY AND OTHER CENTRAL NERVOUS SYSTEM~~
17 ~~BRAIN DISORDERS.~~

18 (C) ~~THE DEPARTMENT SHALL CONSIDER:~~

19 (1) ~~IMPLEMENTATION OF A QUALITY IMPROVEMENT PROGRAM ON~~
20 ~~PSYCHIATRIC DRUG COSTS THAT ADDRESSES POLYPHARMACY AND PRESCRIBING~~
21 ~~PATTERNS; AND~~

22 (2) ~~PHYSICIAN EDUCATION INITIATIVES ON PSYCHIATRIC DRUG COSTS,~~
23 ~~INCLUDING AN ANNUAL CIRCULATION OF A DRUG PRICING LIST TO PHYSICIANS~~
24 ~~PARTICIPATING IN THE PROGRAM.~~

25 ~~15-124.~~

26 (a) (1) ~~The Department shall maintain a Maryland Pharmacy Assistance~~
27 ~~Program for low income individuals whose:~~

28 (i) ~~Assets are not more than 1.5 times the amount of accountable~~
29 ~~resources according to the asset schedule of the Maryland Medical Assistance~~
30 ~~Program; and~~

31 (ii) ~~Gross annual income does not exceed:~~

32 1. ~~\$4,600 plus \$500 for each individual over 1 in a family~~
33 ~~unit; and~~

1 ~~[(e)]~~ (F) The Secretary shall develop a program, in consultation with
2 appropriate agencies, that will provide information to ineligible Maryland Pharmacy
3 Assistance Program applicants regarding other programs that they may be eligible
4 for including the Maryland Medbank Program established under § 15-124.2 of this
5 subtitle and the short term prescription drug subsidy plan established under Subtitle
6 of this title.

7 ~~15-124.1.~~

8 (a) (1) In this section the following words have the meanings indicated:

9 (2) "Enrollee" means an individual who is enrolled in the Maryland
10 Pharmacy Discount Program.

11 (3) "Program" means the Maryland Pharmacy Discount Program
12 established under this section.

13 (b) There is a Maryland Pharmacy Discount Program within the Maryland
14 Medical Assistance Program.

15 (c) The purpose of the Program is to improve the health status of Medicare
16 beneficiaries who lack prescription drug coverage by providing access to lower cost,
17 medically necessary, prescription drugs.

18 (d) The Program shall be administered and operated by the Department as
19 permitted by federal law or waiver.

20 (e) (1) The Program shall be open to Medicare beneficiaries who lack other
21 public or private prescription drug coverage.

22 (2) Notwithstanding paragraph (1) of this subsection, enrollment in the
23 Maryland Medbank Program established under § 15-124.2 of this subtitle or the
24 Maryland Pharmacy Assistance Program established under § 15-124 of this subtitle
25 does not disqualify an individual from being eligible for the Program.

26 (f) (1) Subject to subsection (g) of this section, an enrollee may purchase
27 medically necessary prescription drugs that are covered under the Maryland Medical
28 Assistance Program from any pharmacy that participates in the Maryland Medical
29 Assistance Program at a price that is based on the price paid by the Maryland
30 Medical Assistance Program, minus the aggregate value of any federally mandated
31 manufacturers' rebates.

32 (2) Subject to subsection (g) of this section, and to the extent authorized
33 under federal waiver, an enrollee whose annual household income is at or below 175
34 [percent] % of the federal poverty guidelines may receive a discount subsidized by the
35 Department that is equal to 35 [percent] % of the price paid by the Maryland Medical
36 Assistance Program for each medically necessary prescription drug purchased under
37 the Program.

38 (g) The Department may establish mechanisms to:

1 (1) ~~Recover the administrative costs of the Program;~~

2 (2) ~~Reimburse participating pharmacies in an amount equal to the~~
3 ~~Maryland Medical Assistance price, minus the copayment paid by the enrollee for~~
4 ~~each prescription filled under the Program; and~~

5 (3) ~~Allow participating pharmacies to collect a \$1 processing fee, in~~
6 ~~addition to any authorized dispensing fee, for each prescription filled for an enrollee~~
7 ~~under the Program.~~

8 ~~(H) PRIOR AUTHORIZATION PROCEDURES OR RESTRICTIONS ON COVERAGE~~
9 ~~DEVELOPED FOR THE PROGRAM SHALL BE DEVELOPED IN ACCORDANCE WITH §~~
10 ~~15.118.1 OF THIS SUBTITLE.~~

11 ~~{(h)}~~ (4) ~~The Secretary shall adopt regulations to implement the Program.~~

12 ~~15-136.~~

13 (A) THE DEPARTMENT SHALL USE EXISTING RESOURCES TO ESTABLISH A
14 TOLL FREE MARYLAND PHARMACY ACCESS HOTLINE THAT:

15 (1) OPERATES DURING REGULAR BUSINESS HOURS; AND

16 (2) DURING NONBUSINESS HOURS ALLOWS CALLERS TO LEAVE A
17 MESSAGE.

18 (B) (1) THE DEPARTMENT SHALL DISTRIBUTE TO ALL PROGRAM
19 RECIPIENTS INFORMATION ABOUT THE MARYLAND PHARMACY ACCESS HOTLINE.

20 (2) THE INFORMATION SHALL STATE CLEARLY IN EASILY READABLE
21 PRINT:

22 (I) THE TOLL FREE TELEPHONE NUMBER OF THE HOTLINE; AND

23 (II) THAT THE PROGRAM RECIPIENT SHOULD CALL THE
24 TELEPHONE NUMBER IF THE PROGRAM RECIPIENT IS HAVING PROBLEMS GETTING
25 NECESSARY MEDICINES.

26 (C) THE DEPARTMENT SHALL NOTIFY ALL HEALTH CARE PROVIDERS WHO
27 PARTICIPATE IN THE PROGRAM ABOUT THE MARYLAND PHARMACY ACCESS
28 HOTLINE.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
30 effect October 1, 2003.

